

VZCZCXYZ0033
PP RUEHWEB

DE RUEHLP #1086 1081947
ZNR UUUUU ZZH
P 181947Z APR 07
FM AMEMBASSY LA PAZ
TO RUEHC/SECSTATE WASHDC PRIORITY 3237
INFO RUEHAC/AMEMBASSY ASUNCION 6712
RUEHBO/AMEMBASSY BOGOTA 4040
RUEHBR/AMEMBASSY BRASILIA 7930
RUEHBU/AMEMBASSY BUENOS AIRES 5178
RUEHCV/AMEMBASSY CARACAS 2408
RUEHPE/AMEMBASSY LIMA 2531
RUEHMD/AMEMBASSY MADRID 3425
RUEHMN/AMEMBASSY MONTEVIDEO 4552
RUEHQT/AMEMBASSY QUITO 5047
RUEHSG/AMEMBASSY SANTIAGO 9632
RUEHC/DEPT OF LABOR WASHINGTON DC
RHMFIUU/HQ USSOUTHCOM MIAMI FL
RUMIAAA/USCINCSO MIAMI FL
RUEHUB/USINT HAVANA 0268
RHEHNSC/NSC WASHINGTON DC
RHEBAAA/DEPT OF ENERGY WASHINGTON DC
RUCPDO/DEPT OF COMMERCE WASHINGTON DC
RUEATRS/DEPT OF TREASURY WASHINGTON DC

UNCLAS LA PAZ 001086

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STATE FOR WHA/AND
TREASURY FOR SGOOCH
ENERGY FOR CDAY AND SLADISLAW

E.O. 12958: N/A

TAGS: [PGOV](#) [ECON](#) [ENRG](#) [EPET](#) [BL](#)

SUBJECT: ONE KILLED IN INTERNAL BORDER DISPUTE: GOB BLAMES
PREFECT

¶1. One protester was killed and up to twenty wounded by police and military guards in an internal border conflict that turned violent on April 17 in the Chaco, southern Bolivia. The Great Chaco province of Tarija began a strike on April 16, demanding that the government resolve various issues, including defining the boundaries between two provinces. The boundary definition will impact provincial revenues from the hydrocarbons sector, as it will determine which province contains one of the largest gas reserves of the country, Margarita. The Great Chaco demanded that the GOB recuse Prefect Mario Cossio from making the border decision, due to alleged bias, and entrust the decision to the Potosi Prefect Mario Virreira. When protesters attempted to take over the Transredes natural gas facilities that supply gas to Tarija and Argentina, police and military guards intervened with tear gas and bullets. Minister of Government Alfredo Rada claimed that orders had only been given to use rubber bullets, and Vice President Alvaro Garcia Linera faulted Tarija Prefect Mario Cossio for failing to resolve the border dispute. The GOB decided on April 18 to recuse Cossio.

¶2. Comment: In this battle over hydrocarbons resources, protesters have once more forced the hand of the GOB into acquiescing to unreasonable demands that go against established procedures and regulations. In this case, the demands seem to serve the GOB interest of wresting power away from opposition Prefect Mario Cossio. End comment.
GOLDBERG